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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/19/2007

SPONSOR Tripp LAST UPDATED \_\_\_\_\_ HB 86

SHORT TITLE Farmers Market Nutrition Enhancement Program SB \_\_\_\_\_

ANALYST McOlash

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$250.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to House Bill 22  
 Duplicates Senate Bill 237

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (NMHED)  
 Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

House Bill 86 appropriates \$250,000 from the General Fund to the Board of Regents of New Mexico State University for expenditure in FY 2008 for the New Mexico Department of Agriculture to support the Farmers' Market Nutrition Enhancement Program.

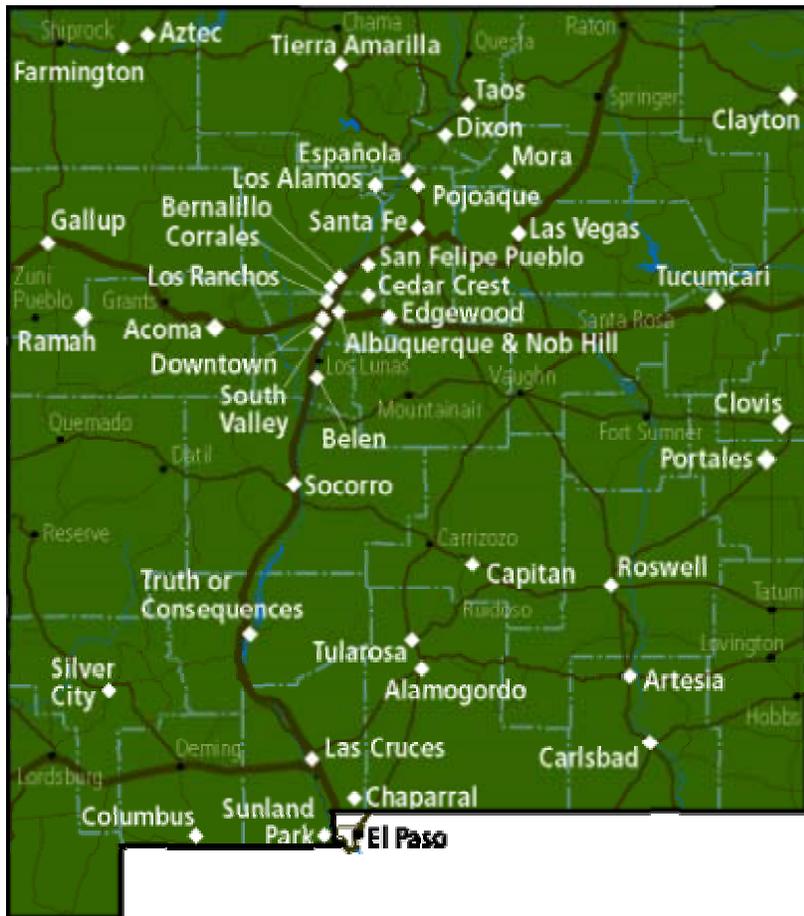
### FISCAL IMPLICATIONS

The appropriation of \$250,000 contained in this bill is a recurring expense to the General Fund. A sum of \$71,300 was appropriated for this purpose in Chapter 34, Laws of 2005 (Senate Bill 190.)

Any unexpended or unencumbered balance remaining at the end of FY 2008 will revert to the General Fund.

## SIGNIFICANT ISSUES

There are farmers' markets in the following communities ([www.farmersmarketsnm.org](http://www.farmersmarketsnm.org)):



The NMHED analysis states that the farmers' market project was among the NMSU priorities as submitted to NMHED. However, the priorities as approved by the NMSU Board of Regents (December 5, 2006 email) makes no specific reference to a Farmers' Market Nutrition Enhancement Program and such a program has not been recommended by the Higher Education Department.

The DOH analysis indicates House Bill 86 is supported by the New Mexico Task Force to End Hunger. Promotion and further expansion of New Mexico's farmers' markets will make fresh produce readily available to the Commodities Supplemental Food Program (CSFP) participants. Increased fresh fruit and vegetable intake is one of the key messages that the Department of Health encourages through the "5-A-Day" and the "Fruits & Veggies – More Matters" programs to help prevent chronic diseases such as coronary heart disease, some cancers, obesity, and osteoporosis.

The Farmer's Market Nutrition Program (FMNP) of the Women, Infant and Children (WIC) Program of DOH has been a source of predictable revenue during the growing season at 34 Farmers' Markets throughout New Mexico. These farmers' markets provide \$28.00 worth of fruits and vegetables monthly to WIC enrollees. Many small farmers have reported that retail sales through the WIC Farmer's Market checks help them profit and stay in business. Promotion

and further expansion of New Mexico’s farmers’ markets to the CSFP participants may increase the economic impact to Farmers’ Markets and local growers.

The Executive budget recommendation includes funding for the following initiatives:

- |                                          |           |
|------------------------------------------|-----------|
| 1. Healthy Kids/Healthy Economy          | \$965,500 |
| 2. Farmers’ Market Nutrition Program     | \$172,400 |
| 3. Capacity Building for Farmers Markets | \$103,500 |
| 4. NM Produce Food-Bank                  | \$758,600 |

### **ADMINISTRATIVE IMPLICATIONS**

The NM Department of Agriculture has administered the funding provided in previous years for this purpose. No significant administrative impact is anticipated.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

House Bill 86 is related to House Bill 22 which includes a \$150,000 appropriation for a similar purpose.

House Bill 86 duplicates Senate Bill 237.

BM/csd